

AMENDMENT NO. _____ Calendar No. _____

Purpose: To give States incentives to reduce fraud, waste,
and abuse in their Medicaid programs.

IN THE SENATE OF THE UNITED STATES—111th Cong., 2d Sess.

H. R. 4872

AMENDMENT NO. 3712

To: Cornyn con-
2010

To: H. R. 4872

Rel: 2 and
Page(s)

GPO: 2008, 45-683 (mac)

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by _____

Viz:

1 At the end of subtitle C of title I, add the following:

2 **SEC. 1207. FMAP REDUCTION FOR HIGH PAYMENT ERROR**

3 **RATE.**

4 Section 1905 of the Social Security Act, as amended

5 by section 1202(b) of this Act, is amended by adding at

6 the end the following:

7 “(ee) **DECREASED FMAP FOR HIGH PAYMENT**

8 **ERROR RATE MEASUREMENT.**—Notwithstanding any

9 other provision of this title, beginning January 1, 2014,

1 in the case of a State for which the payment error rate
2 measurement (commonly referred to as 'PERM') is at
3 least 10 percent, the Federal medical assistance percent-
4 age otherwise applicable to the State with respect to pay-
5 ments for medical assistance for individuals enrolled in the
6 State plan under subclause (VIII) or (IX) of section
7 1902(a)(10)(A)(i) or subclause (XX) or (XXI) of section
8 1902(a)(10)(A)(ii) shall be reduced by 1 percentage point
9 until the date on which the Secretary determines that the
10 PERM for the State is below 10 percent.”.